

**MINISTRY OF DEFENCE & MILITARY VETERANS**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**664. Mr S J F Marais (DA) to ask the Minister of Defence and Military Veterans:**

(a) What is the total number of staff members at Armscor who were granted (i) severance and/or (ii) special termination packages (aa) in each of the past three financial years and (bb) since 1 April 2017, (b) why was employment terminated in each case, (c) what was the rand value of each package and (d) how were the packages funded? NW738E

**RESPONSE**

1. The total number of staff members at Armscor who were granted severance or Special packages are as follow:

* 2015/16 - 0
* 2016/17 - 2
* 2017/18 - 29

1. The Early Retirement and Voluntary Severance Packages were offered to employees aged 55 and above subject to the retention of skills, availability of successors for critical positions, non-compromise in meeting operational deliverables as well as the financial implications per employee.

Where the company could derive savings within three years of the total severance package, an offer was made for two weeks’ pay for every year of service plus company pension benefits up to 60 years age. A total of 23 employees accepted this package.

Where the company could not deliver savings within three of the total severance package one week counter-offer was made for every year of service plus company pension benefits up to 60 years of age. A total of 6 employees accepted this package.

This proposal was approved by the Board of Directors.